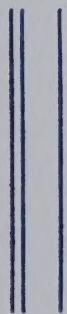
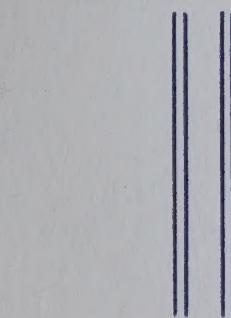


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Annual Report

1964

BILTMORE HATS

LIMITED

GUELPH

CANADA

Directors:

WILLIAM F. FRANKE, Guelph, Ontario.

NORMAN McMILLAN, Guelph, Ontario.

R. PETER RAMSEY, Guelph, Ontario.

D. G. GUEST, Toronto, Ontario.

M. L. WILLS, Toronto, Ontario.

Officers: **Chairman of the Board** WILLIAM F. FRANKE

President NORMAN McMILLAN

Vice-President R. PETER RAMSEY

Secretary-Treasurer NORMAN H. DUNCAN

Registrar CANADA PERMANENT TRUST COMPANY

Toronto, Ontario.

Transfer Agents CANADA PERMANENT TRUST COMPANY

Toronto, Winnipeg, Montreal.

Head Office MORRIS STREET, GUELPH, ONTARIO.

Sales Offices VANCOUVER, CALGARY, WINNIPEG,

SASKATOON

TORONTO, HAMILTON, OTTAWA,

MONTREAL, HALIFAX,

ST. JOHN'S, NFLD.

BILTMORE HATS LIMITED - GUELPH - CANADA - ANNUAL REPORT 1964

ANNUAL GENERAL MEETING

OF SHAREHOLDERS

JANUARY 23, 1965

The President's Report

TO OUR SHAREHOLDERS:

Your directors are pleased to present the Consolidated Balance Sheet of your company, and statement of Profit and Loss and Surplus, for the year ended October 31, 1964.

EARNINGS:

The consolidated net earnings for the fiscal year 1964 are \$83,320.04 after taxes and all other charges. This compares with the net profit last year of \$76,027.95. Earnings per share on the combined Class "A" and Common shares are \$1.04 per share in 1964 compared with \$.95 per share in 1963. + 26

DIVIDENDS:

Dividends of \$1.00 per share were paid on Class "A" stock, and \$.40 per share on the Common stock of the company during the year.

FINANCIAL:

Working capital increased by \$18,408.06 during the year and amounts to \$878,952.76. Bonds outstanding are \$37,500.00 as at October 31, 1964. This balance was paid on November 15, 1964. The first instalment of our long term notes is payable in 1965.

MARKETING:

Cloth Hat & Cap sales increased substantially. STRAW HAT volume increased for the eighth consecutive year. Sales of LADIES' FUR FELT HAT BODIES increased over 1963. Prices of ladies millinery hoods continue depressed because of imports from low wage European manufacturers.

BILTMORE, DOBBS, KNOX and BRILL labels are the recognized leaders in headwear.

GENERAL:

A three year contract, expiring in 1967, has been made with The Hat Workers' Union, Local 82, of the United Hatters, Cap and Millinery Workers' International Union.

Our relations with all employees continue to be most amicable and your directors acknowledge with gratitude their loyalty and co-operation without which we could not have a successful operation.

On Behalf of the Board of Directors

Norman McMillan, President

BILTMORE



SNAP-amatic

PATENTED

The Hat with brains — It shapes itself — One touch and the brim snaps perfectly every time.

Available at your Biltmore dealer in flattering new styles and colours from \$8.95 to \$35.00.

SNAP-amatic exclusive with
BILTMORE HATS LIMITED, GUELPH, CANADA



BILTMORE HATS
LIMITED
AND ITS SUBSIDIARY
GUELPH - ONTARIO

CONSOLIDATED BALANCE

A S S E T S

CURRENT

Cash	\$ 633.79
Accounts receivable, less allowance for doubtful accounts.....	840,039.43
Inventory of merchandise and supplies on hand at the lower of cost or market value.....	658,457.10
Life insurance, at cash surrender value.....	9,324.72
Prepaid Expenses	17,331.63
 Total Current Assets.....	 1,525,786.67

FIXED

Land, building, machinery, equipment and automobiles—cost	1,141,216.48
Less	
Accumulated depreciation	802,309.96
	—————
	338,906.52
OTHER—at cost	5,000.00
	—————
	1,869,693.19

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the consolidated balance sheet of Biltmore Hats Limited and its wholly owned subsidiary as at October 31, 1964 and the consolidated statements of profit and loss and earned surplus for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the companies, the said consolidated balance sheet and consolidated statements of profit and loss and earned surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the companies as at October 31, 1964 and the results of their operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, Ontario.

December 11, 1964.

FRED PAGE HIGGINS AND COMPANY,

Chartered Accountants.

MEET, OCTOBER 31, 1964

LIABILITIES

CURRENT

Bankers' advances	\$ 37,618.94
Note payable —4 1/4% due November 13, 1964.....	250,000.00
Income and other taxes.....	55,191.55
Accounts payable and accrued charges.....	266,523.42
Mortgage Bonds Payable—4 1/2% maturing Nov. 15, 1964.....	37,500.00
<hr/>	
Total Current Liabilities.....	\$ 646,833.91

NOTE PAYABLE—6% due 1965-67..... 100,000.00

CAPITAL

—CAPITAL STOCK

Authorized

50,000 cumulative preferred \$1.00 dividend non-redeemable participating class "A" shares without par value

50,000 common shares without par value

Issued and outstanding

40,000 class "A" shares and 40,000 common shares 85,475.39

CONSOLIDATED EARNED SURPLUS	1,037,383.89
	<hr/> 1,122,859.28
	<hr/> \$ 1,869,693.19

Customers' paper under discount..... \$349,426.11

Approved on behalf of the Board

N. McMILLAN, Director

R. P. RAMSEY, Director



BILTMORE HATS
LIMITED
AND ITS SUBSIDIARY
GUELPH - ONTARIO

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

FOR THE YEAR ENDED OCTOBER 31, 1964

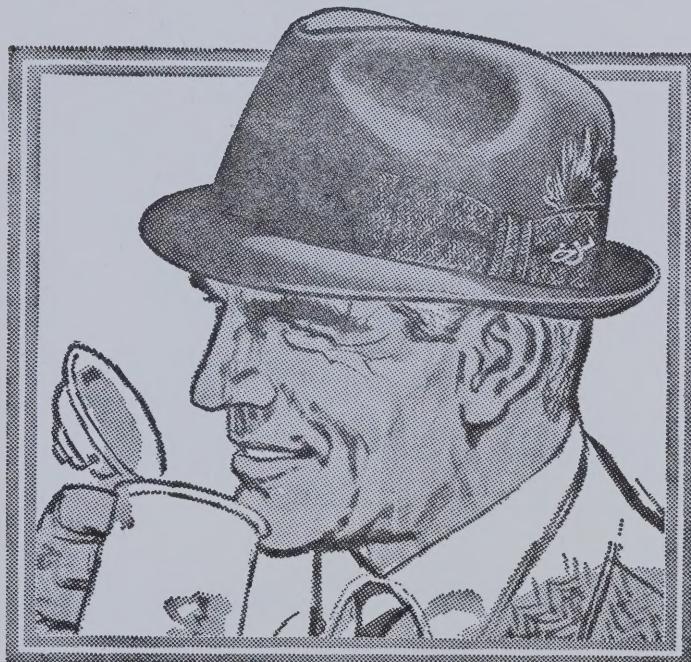
Consolidated profit for the year before the following deductions..	\$ 272,025.02
Directors' fees	\$ 700.00
Remuneration of Executive Officers.....	61,499.96
Legal fees	2,267.88
Depreciation	37,807.19
Pension plan premiums	25,963.36
Interest on Bonds.....	1,766.59
	130,004.98
Profit before taxes on income.....	142,020.04
Federal and Provincial Income Taxes.....	58,700.00
Consolidated Profit for the year.....	\$ 83,320.04

CONSOLIDATED STATEMENT OF EARNED SURPLUS

FOR THE YEAR ENDED OCTOBER 31, 1964

Balance November 1, 1963.....	\$ 1,010,063.85
Add: Consolidated net profit for the year.....	83,320.04
	1,093,383.89
Less: Dividends paid	
Class "A"	40,000.00
Common	16,000.00
	56,000.00
Balance, October 31, 1964.....	\$ 1,037,383.89

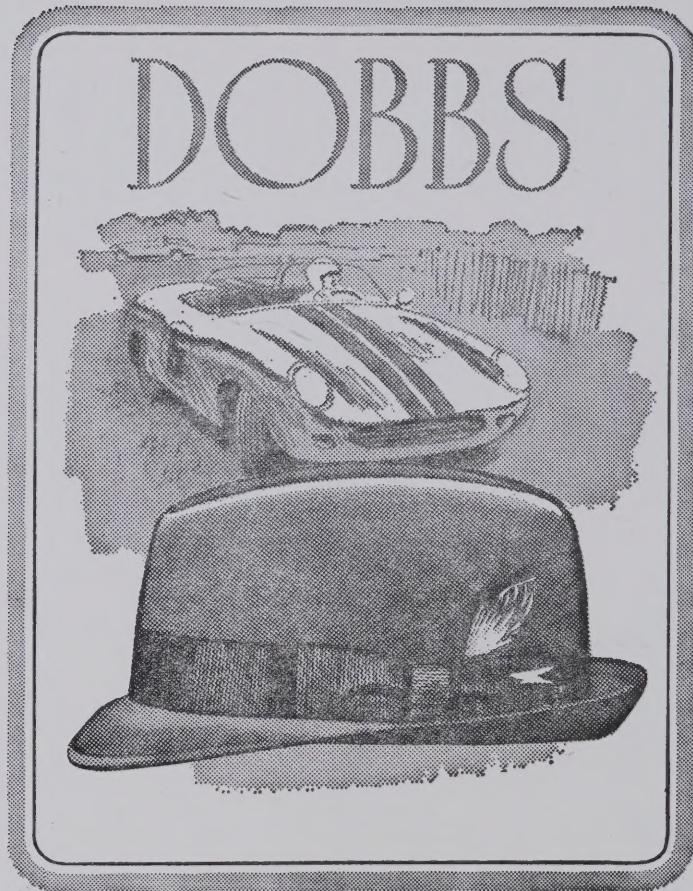
KNOX HATS



for the man with a mind of his own!

KNOX FOXHOUND

Foxhound has an appeal of richness to the touch as well as to the eye. You'll know it when you feel the luxurious Antelope finish, and see the smart iridescence of the band. The colorful feather and horseshoe-and-whip ornament reflect up-to-the-minute styling for the man who knows fashion.



debonair, new
FORWARD LOOK

Update your hat wardrobe with the dash of Dobbs Forward Look. There's a sense of dynamic movement in the forward slope of the crown, and the down sweep of the brim. Try it for new hat excitement!



